



Press Release
Grip Engineers Private Limited
October 17, 2024
Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	12.00	ACUITE BB Downgraded Issuer not co-operating*	-
Bank Loan Ratings	23.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	35.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

** The issuer did not co-operate; based on best available information.*

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE BB**' (read as **ACUITE double Bf**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reaffirmed its short-term rating at '**ACUITE A4+**' (read as **ACUITE A four plus**) on Rs.35 Cr. bank facilities of Grip Engineers Private Limited (GEPL).

The downgraded is on account of information risk. The rating is now flagged as “Issuer Not-Cooperating” on account of information risk and is based on the best available information.

About the Company

Grip Engineers Private Limited, initially, established as a Partnership firm in 1982, commenced business as a selling the goods like Cranes, Electric Hoists, Elevators etc. Subsequently it is converted into private limited in 1988 and started its manufacturing unit at Faridabad in 1992. The company has its registered office in Delhi. The company is engaged in manufacturing items like EOT Cranes, Electric Hoists, Elevators etc. which are used in the steel, power, construction, ports, and Cement industries among others. To cope with the demand in South India and also taking into consideration various factors like cost of transportation of raw material like steel in bulk and heavy and lengthy cranes, etc., from Faridabad factory to South India, GRIP have opened another manufacturing unit at Hyderabad. The operations are managed by Mr. Hemant Lajpal, Mr. M Mani, Mr. Dwarakesh Lajpal and Mr. Ranjit Arya.

Unsupported Rating

Not applicable

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before the due date. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuité’s policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavored to gather information about the entity / industry

from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook: Not applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	61.43	45.98
PAT	Rs. Cr.	0.55	0.22
PAT Margin	(%)	0.90	0.48
Total Debt/Tangible Net Worth	Times	0.81	0.65
PBDIT/Interest	Times	1.82	1.65

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Rating Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
21 Jul 2023	Cash Credit	Long Term	9.00	ACUITE BB+ Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	1.59	ACUITE BB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	1.41	ACUITE BB+ Stable (Reaffirmed)
	Letter of Credit	Short Term	19.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	4.00	ACUITE A4+ (Reaffirmed)
28 Apr 2022	Cash Credit	Long Term	9.00	ACUITE BB+ Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	1.22	ACUITE BB+ Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	0.15	ACUITE BB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	1.63	ACUITE BB+ Stable (Reaffirmed)
	Letter of Credit	Short Term	19.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	4.00	ACUITE A4+ (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Canara Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE A4+ Reaffirmed Issuer not co-operating*
Canara Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.00	Simple	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Canara Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	19.00	Simple	ACUITE A4+ Reaffirmed Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.41	Simple	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Canara Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.59	Simple	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)

* The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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